

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

IP CO., LLC, and SIPCO, LLC,)
)
Plaintiff(s),) No. C08-80126 MISC MMC (BZ)
)
v.) **ORDER GRANTING IN PART AND**
) **DENYING IN PART PLAINTIFFS'**
CELLNET TECHNOLOGY, INC., et) **MOTION TO COMPEL**
al.,)
)
Defendant(s).)
)
_____)

The Honorable Maxine M. Chesney has referred me
plaintiffs' motion to compel non-party ZigBee Alliance
("ZigBee") to produce documents responsive to its third-party
subpoena for documents. For the reasons set forth below,
plaintiffs' motion is **GRANTED, IN PART** and **DENIED, IN PART**.

Plaintiffs sued Cellnet Technology, Inc., Tropos
Networks, Inc. ("Tropos"), and Hunt Technologies, LLC and B &
L Tech Company, Inc. ("B&L")¹ in the Northern District of
Georgia ("the Georgia suit") for patent infringement, breach

¹ According to the complaint, B & L is the new name
for StatSignal Systems, Inc. See Exh. C at ¶ 6 to Taufer
Decl.

1 of contract and related torts. Plaintiffs served a subpoena
2 on ZigBee² for the production of documents in this district.
3 ZigBee objected to the subpoena. After meeting and
4 conferring, Zigbee produced non-privileged documents and a
5 privilege log for the 223 documents it withheld. Plaintiffs
6 have moved to compel the production of those documents.

7 The documents at issue are emails and attachments about
8 the Georgia suit as well as other patent suits that plaintiffs
9 have filed against ZigBee members and about whether ZigBee and
10 its members should seek reexamination of some of plaintiffs'
11 patents.³ ZigBee contends that the motion should be denied
12 because the documents are not relevant, and are protected
13 under the attorney-client privilege and common interest
14 doctrine, and under the work product doctrine.

15 Relevance

16 The district court in Georgia bifurcated plaintiffs'
17 patent and breach of contract claims and stayed the patent
18 claims against defendant Tropos. Plaintiffs have filed other
19 infringement suits in Georgia that were stayed in light of the
20 USPTO's reexamination of several of plaintiffs' patents.
21 After the stays, plaintiffs served subpoenas, including the
22

23 ² ZigBee is a non-profit corporation comprised of more
24 than 270 member companies whose goal is to enable "cost-
25 effective, standards-based wireless networking solution[s]
26 that support[] low data-rates, low-power consumption, security
and reliability." (Opp at p. 2.)

27 ³ Plaintiffs have filed at least two other patent
28 infringement lawsuits against ZigBee members. ZigBee
consulted counsel regarding several of plaintiffs' patents.
ZigBee then filed for reexamination of some of those patents
with the United States Patent and Trademark Office ("USPTO").

1 subpoena at issue here, for information regarding the patents
2 being reexamined. In addition to objecting to the subpoena on
3 the grounds of privilege, ZigBee objected on the grounds of
4 relevance. ZigBee contends that requests for information
5 regarding patents being reexamined that are not at issue in
6 the Georgia action are not relevant. ZigBee also contends
7 that requests for information not limited to the defendants in
8 the Georgia action are overbroad and not relevant.

9 ZigBee, as a nonparty, would ordinarily not be in the
10 best ideal position to know what is relevant in the Georgia
11 suit and none of the defendants have moved to quash. However,
12 Rule 45 emphasizes the need to minimize the burden of a
13 subpoena on a nonparty and requiring a party to produce non-
14 relevant documents or documents whose discovery has been
15 stayed is arguably burdensome. Compaq Computer Corp. v.
16 Packard Bell Electronics, Inc., 163 F.R.D. 329, 335 (N.D. Cal.
17 1995); Fein v. Numex Corp., 92 F.R.D. 94, 96 (S.D.N.Y. 1981).
18 From the scant information about the Georgia suit in this
19 record, it appears plaintiffs sued for infringement of only
20 United States Patent No. 7,103,511. Plaintiffs argue that
21 their contract and related tort claims allege improper
22 assignment and clouding of title of multiple patents by
23 actively encouraging reexamination of their patents. Thus,
24 information regarding plaintiffs' patents other than the one
25 whose infringement is alleged, including those under
26 reexamination, is relevant for the purpose of discovery. See
27 Fed. R. Civ. P. 26(b)(1).

28 As for ZigBee's second contention, plaintiffs could not

1 satisfactorily explain at the hearing why information about
2 ZigBee members who are not defendants in the Georgia suit
3 would be relevant to plaintiffs' claims that the Georgia
4 defendants interfered with plaintiffs' patent rights.
5 Plaintiffs cannot use their subpoena to discover documents
6 relevant to another suit or potential suit. See Fed. R. Civ.
7 P. 26(b)(1) and Adv. Comm. Notes to 2000 Amendment (parties
8 "have no entitlement to discovery to develop new claims or
9 defenses that are not already identified in the pleadings").
10 Plaintiffs' motion, therefore, is **GRANTED** only as to all
11 communications that were made by, to, or concerning any
12 defendants in the Georgia suit and relate to plaintiffs'
13 claims against the defendants in the Georgia suit.

14 Attorney Client Privilege

15 The attorney-client privilege protects confidential
16 communications between lawyers and their clients made for the
17 purpose of securing legal advice. The purpose of the
18 privilege is to "encourage full and frank communication
19 between attorneys and their clients and thereby promote
20 broader public interests in the observance of law and
21 administration of justice." Upjohn Co. v. U.S., 449 U.S. 383,
22 389 (1981). In Ninth Circuit, the following elements must be
23 shown to establish the privilege:

24 (1) [w]hen legal advice of any kind is sought (2)
25 from a professional legal adviser in his or her
26 capacity as such, (3) the communications relating
27 to that purpose, (4) made in confidence (5) by the
28 client, (6) are, at the client's instance,
permanently protected (7) from disclosure by the
client or by the legal adviser (8) unless the
protection be waived.

1 U.S. v. Martin, 278 F.3d 988, 999 (9th Cir. 2002); U.S. v.
2 Plache, 913 F.2d 1375, 1379, fn. 1 (9th Cir. 1990).

3 "Ordinarily the compelled disclosure of an attorney's
4 communications or advice to the client will effectively reveal
5 the substance of the client's confidential communication to
6 the attorney. To prevent this result, the privilege normally
7 extends both to the substance of the client's communication as
8 well as the attorney's advice in response thereto." Matter of
9 Fischel, 557 F.2d 209, 211 (9th Cir. 1977).

10 The party resisting discovery bears the burden of
11 establishing that the attorney client privilege applies. U.S.
12 v. Austin, 416 F.3d 1016, 1019 (9th Cir. 2005) ("[a] party
13 claiming the [attorney-client] privilege must identify
14 specific communications and the grounds supporting the
15 privilege as to each piece of evidence over which privilege is
16 asserted"); U.S. v. Plache, 913 F.2d at 1379; U.S. v. Osborn,
17 561 F.2d 1334, 1339 (9th Cir. 1977).

18 The emails at issue fall into three groups. The first
19 group consists of emails between ZigBee's employees and its
20 counsel involving requests for and responses to legal advice
21 regarding the patents that were to be reexamined, the other
22 suits plaintiffs had filed against ZigBee members, and
23 potential suits plaintiffs might file against ZigBee members.
24 Such communications are protected by the attorney client
25 privilege. See Cal. Evi. Code §§ 175, 954. It is difficult
26 for the court to understand why plaintiffs think such
27 documents are not privileged. The second group consists of
28 emails between ZigBee's counsel and ZigBee member's personnel.

1 They are also protected. See U.S. v. Ohio Edison Co, No. C2-
2 99-1181, 2003 U.S. Dist. LEXIS 25029, at *11 - 12 (S.D. Ohio,
3 January 6, 2003). Plaintiffs do not provide authority as to
4 why these communications would not be protected by the
5 attorney client privilege, and argue only that the common
6 interest doctrine is not applicable to them. The motion to
7 compel is **DENIED** as to these two groups of those emails.

8 The third group consists of emails between ZigBee's
9 employees and its members' personnel.⁴ ZigBee has failed to
10 meet its burden of establishing that those emails constitute
11 confidential communications seeking legal advice from counsel
12 (U.S. v. Martin, 278 F.3d at 999) or counsel's advice to
13 clients (Matter of Fischel, 557 F.2d at 211) thereby
14 warranting protection under the attorney client privilege.
15 U.S. v. Austin, 416 F.3d at 1019.

16 ZigBee argues that those emails should be protected
17 because their purpose is related to seeking legal advice about
18 the reexamination. It relies on declarations of its director,
19 several of its members' personnel and its counsel, all of
20 which are somewhat vague and general. For example, ZigBee's
21 director, William Chase, declares that "ZigBee looked to its
22 members to provide information and advice regarding IPCO and
23 its patents, and ZigBee shared such information with DLA Piper
24 to assist in the review of the Reexamination Patents." (Chase
25 Decl. at ¶ 12.) Several of ZigBee's members' personnel

26 ⁴ Of the 223 documents listed on the privilege log,
27 there is one email between ZigBee members' personnel that was
28 copied to a ZigBee employee and counsel. (Privilege Log
Document No. 7.) For the purpose of ruling on this motion, I
have grouped that email in the third group.

1 declare that they communicated with ZigBee and understood the
 2 communications were "related to analyzing a legal position on
 3 behalf of ZigBee" in order to "aid ZigBee's counsel . . . in
 4 its review of IPCO's patent portfolio." (Black Decl. at ¶ 3 -
 5 4; Callaway at ¶ 3 -4; Ashton at ¶ 3 -4.)

6 ZigBee has not met its burden of establishing that the
 7 emails in the third group are protected under the attorney-
 8 client privilege. As one court recently noted,

9 The party asserting the privilege bears the
 10 burden of establishing its existence and "must
 11 make a 'clear showing' that the asserted
 12 objection applies." [citation omitted]
 13 Accordingly, the asserting party "must
 14 'describe in detail' the documents or
 15 information sought to be protected and provide
 16 'precise reasons' for the objection to
 17 discovery and ... must provide sufficient
 18 information to enable the court to determine
 19 whether each element of the asserted objection
 20 is satisfied; a 'blanket claim' as to the
 21 applicability of the privilege does not satisfy
 22 the burden of proof."

23 Metzger v. American Fid. Assur. Co., 2007 WL 3274922, 1 (W.D.
 24 Okla.).

25 Unlike the second group, none of these emails were sent
 26 by or to counsel; they are between Zigbee and its members.
 27 Counsel were copied on many of the emails,⁵ but it is well
 28 settled that merely copying an attorney on an email does not
 29 establish that the communication is privileged. ABB
 30 Kent-Taylor, Inc. v. Stallings and Co., Inc., 172 F.R.D. 53,
 31 57 (W.D. N.Y. 1996). Conspicuously absent from the
 32 declarations is any assertion that counsel requested such

33 ⁵ See Privilege Log Document Nos. 1,2, 5, 7, 75, 135 -
 34 37, 143, & 222.

1 communications, or that the communications, which extend over
2 a several year period, related only to the purpose of seeking
3 legal advice, as opposed to any business or associational
4 purpose the members had in communicating about the patents in
5 question. Nor has ZigBee provided any authority that the
6 privilege extends to communications between an association's
7 personnel and its members' personnel, where the
8 communications are not made at the behest of counsel.⁶ As
9 such, the situation here is distinguishable from that in AT&T
10 Corp. v. Microsoft Corp., 2003 U.S. Dist. LEXIS 8710, at *7
11 - 8 (N.D. Cal.), where it appears that the emails between the
12 client's employees and the technical report at issue there
13 were made at the direction of counsel. Id. Zigbee's showing
14 is so generalized that it could encompass all communications
15 between Zigbee's personnel and its members' personnel about
16 plaintiffs' patents. At a minimum, a more definite
17 connection to seeking legal advice is required.

18 Nor is the common interest exception to waiver of the
19 attorney client privilege applicable to the third group of
20 email communications. The common interest doctrine is not a
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22 ⁶ There is authority that the attorney-client
23 privilege can protect communications between employees of a
24 corporation that are intended to be part of a request for
25 legal advice, (see U.S. v. Chevron Texaco Corp., 241 F.Supp.2d
26 1065, 1077 (N.D. Cal. 2002)), but it is not clear that that
27 authority would apply to employees of members of a trade
28 association. While corporate employees are all serving the
same employer and presumably share the same legal interest, no
such allegiance necessarily binds the members of a trade
association. One illustration of this is that plaintiffs
apparently were provided some of the disputed emails in
response to subpoenas served on other Zigbee members, who
apparently produced them without objection. See Sanacory Dec.
at ¶ 8-15.

1 privilege in and of itself. Nidec Corp. v. Victor Co. of
2 Japan, 249 F.R.D. 575, 578 (N.D. Cal. 2007). Rather, it is
3 an exception "to the rule on waiver where communications are
4 disclosed to third parties." Id.; citing United States v.
5 Bergonzi, 216 F.R.D. 487, 495-96 (N.D. Cal. 2003). The
6 privilege here could not be waived because the communications
7 were not privileged. Likewise, I need not consider whether
8 the email communications are permissible third party
9 disclosures because they do not involve attorney-client
10 communications. Accordingly, the motion is **GRANTED** as to the
11 email exchanges between ZigBee's employees and its members'
12 personnel that were made by, to, or concerning any defendants
13 in the Georgia suit and that relate to plaintiffs' claims
14 about the defendants in the Georgia suit.

15 Work Product Doctrine

16 ZigBee also refused to produce 17 of the documents
17 listed in the privilege log alleging the correspondence
18 constituted work product. "Ordinarily, a party may not
19 discover documents and tangible things that are prepared in
20 *anticipation of litigation or for trial by or for another*
21 *party or its representative* (including the other party's
22 attorney, consultant, surety, indemnitor, insurer, or
23 agent)." Fed. R. Civ. P. 26(b)(3)(A) (*emphasis added*). The
24 Ninth Circuit has concluded that "that the rule, on its face,
25 limits its protection to one who is a party (or a party's
26 representative) to the litigation in which discovery is
27 sought." In re Cal. Pub. Util. Comm'n, 892 F.2d 778, 781
28 (9th Cir. 1989) *citing* C. Wright & A. Miller, Federal

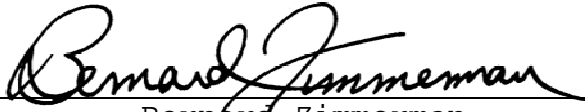
1 Practice and Procedure, § 2024, at 201-02 ("[D]ocuments
2 prepared for one who is not a party to the present suit are
3 wholly unprotected even though the person may be a party to a
4 closely related lawsuit in which he will be disadvantaged if
5 he must disclose in the present suit."); Loustalet v. Refco,
6 Inc., 154 F.R.D. 243, 247 (C.D. Cal. 1993); United States v.
7 Graham, 55 F.Supp.2d 1046, 1049 - 50 (N.D. Cal. 2008). Even
8 though the emails and attachments may have been created with
9 an eye towards litigation because many of ZigBee's members
10 were concerned that plaintiffs would sue them, they are not
11 protected under the work product doctrine because ZigBee and
12 its members are not parties to the instant litigation. As
13 the Ninth Circuit noted in the California Public Utilities
14 Commission case, ZigBee could seek a protective order to
15 prevent the production of the 17 documents to the "extent
16 that the disclosures cause hardship" to it, but ZigBee did
17 not do so and the Ninth Circuit's refusal to expand the
18 doctrine to non-parties precludes a determination that the
19 documents are protected by the work product doctrine. 892
20 F.2d at 781. The motion is **GRANTED** as to the documents that
21 were listed in the privilege log as being protected by the
22 work product doctrine.

23 Request for Leave to File Motions for Sanctions

24 Both plaintiffs and ZigBee have requested leave to file
25 motions for sanctions for the costs related to this motion.
26 Because I am only granting part of plaintiffs' motion, I find
27 both ZigBee's withholding of the documents and plaintiffs
28 filing of the motion "substantially justified." Imposing

1 sanctions is not warranted and the parties requests are
2 **DENIED.** Fed. R. Civ. Pro. 37(a)(5)(A-B.)

3 Dated: August 18, 2008

4 
5 Bernard Zimmerman
6 United States Magistrate Judge

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